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PUBLIC EMPLOYMENT  
RELATIONS BOARD

## REPORT OF THE FACTFINDER

In the Matter of the Fact-finding Between

**DALLAS COUNTY**

and

**AFSCME (DALLAS COUNTY  
ATTORNEY'S OFFICE)  
LOCAL 3673-011**

**CEO #1010/SECTION 1**

**Hearing:** March 3, 2004

**Report:** March 11, 2004

Sharon K. Imes, Factfinder

Appointed through the Iowa Public  
Employment Relations Board

### **APPEARANCES:**

**Renee Von Bokern**, Employer Representative, appearing on behalf of Dallas County.

**Steven T. Hermann**, Union Representative, AFSCME Iowa Council #61, appearing on behalf of AFSCME Local 3673-011 (Dallas County Attorney's Office).

### **BACKGROUND AND JURISDICTION:**

Dallas, hereinafter referred to as the County or the Employer, and AFSCME Local 3673-011 (Dallas County Attorney's office), hereinafter referred to as the Union, are parties to an agreement effective July 1, 2003 until the first day of July, 2004 which is renewed year to year unless either party gives notice under Article 15 of the Agreement. In negotiating the agreement to commence July 1, 2004, impasse was reached on three issues.

Pursuant to Section 20.21 of the Iowa Public Employment Relations Act (PERA), the undersigned was selected as factfinder to issue a recommendation on the matters remaining in dispute. The hearing was convened on March 3, 2004. At that time, both parties present were given full opportunity to present oral and written evidence and to make relevant argument.

### ***ISSUES IN DISPUTE:***

The parties remain at impasse on issues concerning wages, insurance and vacation accrual.

### ***DISCUSSION:***

The Public Employment Relations Act, under Section 20.22, states criteria to be considered in determining the reasonableness of the parties' offer under binding arbitration. Therein, the law directs arbitrators to consider the following factors relevant: past collective bargaining contracts between the parties including the bargaining that led up to the contracts; comparison of wages, hours and conditions of employment of the involved employees with those of other public employees doing comparable work giving consideration to factors peculiar to the area and the classification involved; the interests and welfare of the public, the ability of the public employer to finance economic adjustments and the effect of those adjustments on the normal standard of services, and the power of the public employer to levy taxes and appropriate funds for the conduct of its operations. Since a factfinder's report may proceed to arbitration if this dispute is not resolved after receipt of the report, it is essential that the factfinder consider the same criteria arbitrators are directed to consider by the State's legislature when making recommendations.

The bargaining unit in this dispute consists of four assistant attorneys and four legal secretaries, one of whom serves as a data management specialist. In the bargaining that led to this impasse, the parties reached agreement on several issues but did not resolve their differences over the extent to which the wage rate should be increased; the amount of the monthly health insurance premium that should be contributed by the employees or the amount of vacation employees are eligible to accrue after being employed by the County for a number of years. Following is a discussion of each issue and a recommendation:

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**Wage Proposals:** The Union seeks a four percent across-the-board wage increase effective July 1, 2004, plus regular step increases for the entire bargaining unit. The County proposes no change to the current wage schedule and no advancement on the step schedule from July 1, 2004 to June 30, 2005.

**Position of the Parties:** In support of its wage proposal, the Union asserts that the County is the fastest growing county in the state and that the workload has greatly increased in the County Attorney's Office. As further support of need for a wage increase, the Union states that the County Attorney's Office which consists of a lead attorney, four assistant attorneys and four legal secretaries handled 1,198 District Court cases and 661 Magistrate cases in the past year and expects even more work this year as a result of the rapid population growth in the County that is occurring and as a result of the new Jordan Creek mall project. In addition, stating the County will try to show it lacks the financial resources to pay for these increases, the Union rejects that argument declaring that the County is in good fiscal shape and has financial resources available to provide for the wage increase.

The County argues, however, that it lacks the resources to fund an increase in wages. As proof of its lack of resources, the County states that several Tax Incremental Financing Districts (TIFs) within the County; the State Legislature's action in rolling back agricultural valuations by four percent, and the uncertainty as to what the State will do this coming year makes it impossible for the County to fund any increases in wages.<sup>1</sup> As further proof, the County states that in addition to seeking a zero wage increase among its employees, it has granted no wage increases to its non-represented employees; that it has initiated a review process before any new or vacant position is filled, and that it has indefinitely postponed any reclassification of existing positions.

**Discussion:** The County effectively argues that little new money will be available during 2004-05 due to TIFs and recent State legislative action and that its concern about maintaining services and retaining employees is the cause for its wage proposal. When an Employer pleads an inability to pay, however, it has the burden to produce sufficient evidence to support its assertion and the evidence presented in this dispute does not meet that burden.

Budget documents submitted by the Union indicate that County's beginning fund balance in 2002-03 was approximately \$1,500,000 over the beginning fund balance in 2000-01 and 2001-02

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<sup>1</sup> As proof of the impact the State can have the County states that after it had approved the 2003-04 budget, the State passed a reinvention bill that resulted in the County receiving \$173,000 less than anticipated. The County also provided evidence that the Legislature's agricultural roll-back resulted in a \$110,7725,674 drop in the assessed values of rural property. It is noted, however, that this drop is offset by the \$132,054,469 increase in urban assessed values.

and that it had an unreserved, undesignated fund balance of \$4,500,583 and an ending fund balance in the same amount.

Revenues	2000-01	2001-02	2002-03
Actual Revenue	28,398,210	28,096,016	28,752,610
Actual Expenditures	28,139,491	24,523,183	31,227,342
Excess	2,268,719	3,572,833	(2,464,732)
Beginning Fund Balance	5,516,497	5,516,497	6,965,315
Unreserved, Undesignated Fund Balance	5,107,941	9,089,330	4,500,583
Ending Fund Balance	5,914,179	9,089,330	4,500,583

During the hearing, the County stated that its 2003-04 unreserved, undesignated fund balance is \$2,712,015 and that its beginning fund balance is \$6,581,138. The budget documents to support these assertions were not provided. Without that evidence, given the balances in previous years and the fact that a year's ending fund balance is quite similar to the next year's beginning fund balance, it is difficult to conclude that the County correctly states these balances. Even if the County is correct, however, these balances, while significantly lower than previous year balances still indicates the County does have the ability to fund a wage increase although, generally, it is not prudent to regularly fund wage increases, a recurring expense, through unspent fund balances.

In this instance, the Union has adequately demonstrated that its employees are not only among the lowest paid employees when compared to others doing similar work in comparable counties, but that the work load has increased and can be expected to continue to increase in the following year. While the County stated it was not making comparisons because its financial situation may differ from that of the other counties one might consider comparable, it did agree that Webster, Marshall, Warren and Jasper Counties would be considered comparable if comparables were to be used. These counties, as well as others, were proposed as comparables by the Union. Based upon population and geographical proximity to Polk County, the two criteria cited by the parties in determining which counties would be comparable, it is concluded that primary comparisons should consist of the four counties the parties agree are comparable and also with Boone County since Boone County is also similar in population and adjacent to Polk County. When these comparisons are made, although it is accepted that the highest salary within the range provided

as evidence may be that of the first assistant, the record shows that these Dallas County bargaining unit employees are among the lowest paid employees doing comparable work.<sup>2</sup>

County	Assistant Attorney	Administrative Assistant	Legal Secretaries	Percentage Increase
Dallas County	35,650-47,911	26,065-31,577	9.93-12.58	
Webster County	43,000-51,000	33,858	13.02-14.54	2.5%
Marshall County	40,000-55,500		11.32-11.83	\$500
Warren County	43,000-50,000	32,032	10.80-12.15	2%
Boone County	36,000-48,892	33,898	Not available	2.5%

The evidence further shows that while none of the other employees performing similar work in similar counties are represented, the general wage increase for these employees in the other counties is either 2% or 2.5%.<sup>3</sup> Based upon this evidence, it cannot be concluded that the employees in Dallas County should receive no wage increase.

**Recommendation:** Not accepting the County's argument that it has no ability to pay for wage increases but accepting the fact that it does have limited ability to fund wage increases, it is recommended that the employees in this bargaining unit be granted a 2.5% wage increase and that no step increase be granted. This recommendation recognizes that if these employees were to be granted a 0% wage increase as proposed by the County, they would fall further behind and the need for "catch up" would become even greater. In addition, this recommendation recognizes that none of the wage schedules for the comparable employees in the comparable counties contains a step increase. Finally, this recommendation recognizes that two of the eight employees in this bargaining unit have "maxed out" and is an effort to equalize the increase in wages for all employees within the bargaining unit.

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**Insurance Proposals:** With respect to insurance, the Union seeks to reduce the payroll deduction from an amount equivalent to twenty percent of the dependent premium to eighteen percent of that

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<sup>2</sup> No comparison was made with Jasper County since that evidence was not provided. Further, a Data Specialist comparison was not made since none of the other counties have that position.

amount. The County proposes to increase the payroll deduction to an amount equivalent to thirty percent of the dependent premium.

**Position of the Parties:** The county argues that a greater employee's contribution toward the insurance premium is needed not only because the premium will increase by 6.7% on July 1, 2004 but because its limited ability to pay for any increases also affects its ability to absorb any increase in the insurance premium. Further, although the County states that comparisons are difficult to make since the counties considered comparable provide different benefit-level policies which affect the insurance premiums, it argues that its proposal is more reasonable since its employees fare well when the amount of co-pay and/or type of benefits is compared with the co-pay and/or type of benefits employees doing comparable work in comparable counties.

The Union, however, urges that the County's proposal be rejected since the co-pay percentage increase the County seeks is higher than the increase in the premium. Further, it declares that its proposal should be recommended since the employees in this bargaining unit pay more for insurance than nine of the ten counties it proposes as comparables.

**Discussion:** Again, the only evidence in the record pertaining to the insurance premium issue is the amount the Employers contribute to the cost of the premium. There is no evidence of the benefits provided by each of the policies not only in Dallas County but in any of the counties considered comparable. Since the County's statement that the benefits provided for in its policy fares well when compared with other counties' policies was not refuted and since the evidence indicates that Dallas County's contribution toward the premium is among the highest paid by the comparables, the Union's proposal that the co-pay be reduced is rejected as being unreasonable. This finding, however, does not mean that the County's proposal should be recommended. It, too, is unreasonable.

There is no dispute that the cost of the insurance premium will increase by 6.7% at the beginning of the 2004 fiscal year. Consequently, if the status quo is maintained, this increase means that the County's share of the premium cost will increase by \$55.04 and that the bargaining unit's employees share will increase by \$9.03. Given the County's limited ability to finance any increases

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<sup>3</sup> The \$500 increase in Marshall County appears to be a 1.25% or less increase but it is also recognized that the wage range is far higher than any of the other comparable counties.

in wages, let alone insurance premiums, one could argue that the employee's contribution toward the cost of the premium should increase. Negating against this position, however, is the fact that these bargaining unit employees are already among the lowest paid employees performing similar work in similar counties and the fact that a 2.5% wage increase with no step increase will do nothing to help these employees "catch up" with those considered comparable. Also negating against the County's proposal is the fact that the evidence does not establish anything beyond a 80/20 co-pay is the status quo among the comparables or among its non-represented employees and the fact that the County has not proposed a change in any of the benefits provided under the policy, a step that would reduce the premium cost.

**Recommendation:** Based upon the above discussion, it is recommended that the status quo be maintained. In other words, the co-pay should remain at 80/20.

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**Vacation Proposal:** With respect to vacation accrual, the Union seeks to amend the vacation accrual schedule so that employees will accrue three weeks vacation during 6 to 14 years; four weeks vacation during 15 to 20 years and five weeks during 20 plus years instead of three weeks during 6 to 15 years and four weeks during 16 years plus. The County, however, proposes no change in the existing benefit.

**Position of the Parties:** The Union states it is seeking to amend the vacation benefit so that it is consistent with four of the five other bargaining units within the County. The County, however, maintains that while the vacation benefit for this bargaining unit differs from the benefits received by some of the employees in its other bargaining units, there is no need to change the current benefit.

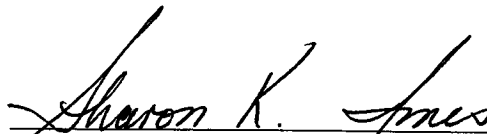
**Discussion:** In general, when this issue is submitted to arbitration, arbitrators are inclined to make benefits among internal comparables the same. Based that concept, one might conclude that the Union's offer is reasonable. In reviewing the vacation benefits, however, it appears that employees in this bargaining unit accrue and are able to use vacation earlier than employees in any of the other bargaining units even though they lag behind four of the bargaining units when it comes to being able to accrue three or four weeks of vacation. Since the County has made a case for limited ability to fund wage increases as well as increases in benefits and since the Union's proposal does not

make the benefit it seeks similar to the benefit enjoyed by employees in the other bargaining units, its proposal at this point in time is not reasonable.

**Recommendation:** It is recommended that the status quo be maintained. In other words, there should be no change in the vacation benefit.

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The above recommendations have been made based upon the arguments of the parties, the record as a whole, the discussion as set forth under each item at impasse and consideration, where possible, of the statutory criteria set forth for arbitrators in Section 20.02.

  
Sharon K. Imes, Fact Finder

March 11, 2004



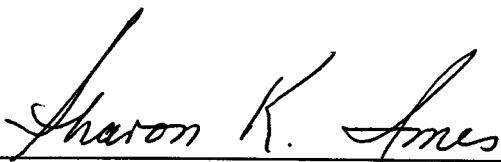
# CERTIFICATE OF SERVICE

I certify that on the 12<sup>th</sup> day of March, 2004 I served the foregoing Report of Fact Finder upon each of the parties to this matter by mailing a copy to them at their respective addresses as shown below:

Ms. Renee Von Bokern  
2771 104<sup>th</sup> Street, Suite H  
Des Moines, Iowa 50322

Mr. Steve Harman  
AFSCME Iowa Council 61  
4320 NW Second Avenue  
Des Moines, Iowa 50313

I further certify that on the 12<sup>th</sup> day of March, 2004, I will submit this Report for filing by mailing it to the Iowa Public Employment Relations Board, 514 East Locust Street, Suite 202, Des Moines, Iowa 50309.

  
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Sharon Imes, Fact-finder

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